Changes in Food Service Management Contracts and Procedures

The contract between a School Food Authority and a Food Service Management Company is a major factor in assuring a meal service that not only meets the best interest of the SFA but also conforms to USDA, State, and local requirements in a cost effective manner. The contract is the basis for successful and appropriate oversight by the SFA. As a State Agency, we must ensure that the SFA-FSMC contract includes all of the required provisions and does not contain any unallowable provisions. In the past two years, changes in regulations have occurred which require the incorporation of new language and specific rules with respect to the RFP and contracts.

Please be advised that as result of these changes in regulations and program requirements with respect to food service management companies, USDA is requiring all SFAs that contract with a management company for school food service to re-bid and enter into a new contract for school year 2011 to ensure that all programs are operating under the new requirements and guidelines. We are currently in the process of revising our prototype materials and contract to comply with these requirements. We will provide these to all SFAs currently contracting with a FSMC and will post them on the Web for reference. In the meantime, schools must not send out RFPs or IFBs for this next school year, enter into a renewal agreement or take measures to pursue a Food Service Management Contract agreement. The new contract materials and guidance must be used for this process.

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